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(1) Six-party talks: How can "progress" on abduction issue be defined? Government facing dilemma over aid to Pyongyang in return

MAINICHI (Page 2) (Full)
February 10, 2007

How Japan defines what constitutes progress on the abduction issue, a premise for extending aid to North Korea, likely will significantly affect the fate of the six-party talks on North Korea's nuclear ambitions now going on in Beijing. The reason is

that the draft agreement presented by China, the host country, mentions that the five participating countries will extend economic and energy assistance to the North in exchange for it taking initial measures toward abandoning its nuclear development programs. If Japan were to set a strict condition, it could prevent the five countries from reaching a consensus, but a less stringent condition could deal a blow to the administration, causing the government's principle to collapse.

Regarding the potential reward to North Korea for giving up its nuclear programs, a Foreign Ministry source said: "If the framework for an agreement collapses as a result of Japan refusing to get involved, it would be difficult for it not to get involved at all. It will be an issue for the political arena." However, the abduction issue is the top priority for the Abe administration. It cannot afford to make concessions without regard to principles. On the other hand, since Japan is responsible for complex multilateral negotiations, it could encounter situations in which it has to determine a settlement line regarding progress on the abduction issue.

One Foreign Ministry official said that an ideal form of progress would be confirming the survival of even one or two abductees and returning them to Japan, but there is no conceivable measure to realize that at the present stage. Such being the case, some government officials intend to regard the establishment of a taskforce on Japan-DPRK relations as incorporated in the draft agreement to be progress. That is because a taskforce could be the best venue for Japan to directly urge North Korea to settle the abduction issue.

However, even senior Foreign Ministry officials are perplexed, with one noting, "If Japan acknowledges that progress has been made based

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only on talks, it would give the impression that the Japanese side has made great concessions." The actual situation is that progress depends on the North actually taking a step forward to settle the abduction issue, but with such a situation unlikely to occur, it is difficult even to work out what constitutes progress on the abduction issue, as a government source put it. All Japan can do is to make a decision in a comprehensive manner while monitoring the moves of other countries.

(2) NSC initiative: Many problems in store for secretariat's staffing, intelligence gathering

SANKEI (Page 5) (Abridged)
February 9, 2007

The government plans to establish a national security council (NSC). Its aim is to make diplomatic and security policy decisions under the prime minister's direct control, thereby improving Japan's readiness for eventualities. The NSC gives priority to flexibility with cabinet ministers to be added depending on the theme, and it will have a secretariat with planning functions. The NSC can work out mid- and long-term strategies under the prime minister's office or Kantei. However, there are also many operational problems, such as what to do about its secretariat's staffing and authority and how to build an intelligence-gathering structure. There is no denying that the NSC may not function as envisaged.

For its powers, the NSC is modeled after the one in the United States. However, its structure is modeled after the one in Britain, which is under a parliamentary cabinet system just like Japan's. The NSC is envisioned as "a support organization for the prime minister to make the best decisions," according to former Deputy Chief Cabinet Secretary Nobuo Ishihara, who presides over a working group under a government panel to consolidate the Kantei's functions regarding national security. To that end, the NSC is designed to work flexibly with more cabinet ministers joining in for various issues to be discussed. If climate change is on the agenda, for instance, the environment minister will be seated in on the NSC. If the NSC needs to discuss bird flu, the agriculture and fisheries minister will be called in. The NSC is thus enabled to meet wide-ranging national crises.

The NSC's secretariat is to be tasked with analyzing information that comes in from various ministries and agencies, and the secretariat provides the NSC members with options for them to

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discuss mid- and long-term diplomatic and security policies. The Kantei wants to make speedy policy decisions under its initiative by vesting the secretariat with planning functions.

The NSC's subject matters, however, are wide-ranging from climate change to security in East Asia. In addition, there are also many challenges in store for the NSC. Chief Cabinet Secretary Yasuhisa Shiozaki, meeting the press yesterday, suggested the need for the NSC to be ready with its "powerful backup" of the prime minister so that the premier can make appropriate decisions in order to protect the people's lives and properties. However, the NSC's secretariat, which will be tasked with planning counteractions, is to be staffed with only 10-20 personnel for the time being, according to Yuriko Koike, a special advisor to the prime minister.

The NSC's secretariat is also to be staffed with experts from within and outside the government as political appointees. However, one of the ruling Liberal Democratic party's defense policy clique wonders

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if the government can recruit the cream of the crop for the NSC's secretariat. The Kantei is also likely to face difficulties in

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screening and developing human resources for the NSC's secretariat. There are also objections from within the Foreign Ministry and the Defense Ministry to the Kantei against its initiative, insisting on their reason for existing.

Furthermore, the NSC's secretariat is not vested with powers to have various government ministries and agencies provide information it needs. This is also a matter of concern. "We need a manual that requires government offices to provide information as required," says Minoru Terada, deputy chair of the LDP's national defense division.

(3) Political advisors, experts make appeals to Prime Minister Abe

SANKEI (Page 5) (Full)

February 7, 2007

Set off by a series of controversial remarks by cabinet ministers, the Abe cabinet has been ridiculed as "tensionless and free-wheeling." Health, Labor and Welfare Minister Hakuo Yanagisawa said, "Women are baby-making machines." Defense Minister Fumio Kyuma criticized the United States' decision to launch the Iraq war, and Foreign Minister Taro Aso also called the US' Iraq-occupation policy "naive." The public support rate of the cabinet continues to plummet, with the nonsupport rate now outpacing the support rate in some opinion polls. Political advisors and experts advise what Prime Minister Shinzo Abe should do to overcome the current crunch situation.

Isao Iijima, secretary to former Prime Minister Koizumi: Skillfully make use of bureaucrats and ruling parties

The Koizumi administration also found itself in a fix over controversial remarks by cabinet ministers or sharp drops in the cabinet support rate many times. But it managed to get through such difficulties by making use of superior bureaucrats and moving all the government offices skillfully.

I hope Prime Minister Abe will also demonstrate his leadership more in order to have officials in the policymaking and political areas, that is, the bureaucracy and the ruling camp join hands.

What is required most in managing the government is unity among the Kantei staff under the chief cabinet secretary, in whom the prime minister must place full confidence. The cabinet sometimes faces an adverse wind, but it is necessary for the Kantei staff on such an

occasion to closely band together.

Needless to say it is important to use the right person in the right place, and the original point of reform is this principle: "Don't be afraid of pain, don't flinch when confronting vested interests, and don't always stick to your past experiences." I expect Prime Minister Abe to push ahead with reforms, always keeping this principle in mind.

The opposition bloc's recent strategy of boycotting Diet deliberations is tantamount to their negligence of duty as lawmakers. Such tactics will only lead to deepening public distrust in politics and never contribute to regaining public confidence. I hope that the Abe administration will continue to do its best to turn its reform plans into action, without fearing such a

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high-handed approach by the opposition bloc, being discouraged by individuals' critical comments, and without being gripped by conventional practices and mores in the political world.

Yasunori Sone, professor at Keio University: Dismissal of Yanagisawa should be an option

There is no decisive means to recover cabinet approval ratings, which are continuously plummeting. People expected the Abe administration, when it was launched, to clearly speak for them. However, Prime Minister Abe has only apologized profusely. There is a wide gap between the public expectation and the real Mr. Abe.

Although it has been reported that Prime Minister Abe is an advocate of conservatism, but what he advocates as "conservatism" remains ambiguous. While trying to promote reforms based on market-oriented neo-liberalism, Abe also takes the stance of placing emphasis on the nation's reactionary traditions and cultures. It's hard to understand what he places emphasis on. I think Prime Minister Abe wants to give priority to the latter policy stance. If that is the case, the prime minister should give an explanation with words easily understandable by the people, instead of citing such an abstract expression as "a beautiful country."

In addition to the series of political gaffes by or scandals involving cabinet ministers, the prime minister's murky policy stance is behind the recent slide in cabinet support rates. The Abe administration is now urged to reorganize itself from its foundation. If the prime minister aims to establish a long-term government, the government should initially go through a baptism of general elections, but it is considered to be actually difficult to do so. Instead of only apologizing over Yanagisawa's controversial remark, he must come up with a clear-cut message to the people on how to stop the falling birthrate and what measures should be taken to help women. There is the option of having Yanagisawa step down. A resignation by Yanagisawa would deal a serious blow to the cabinet, but would it be better for him to stay on and be continuously exposed to attacks from the opposition camp?

Kiyoshi Sasamori, former Rengo (Japanese Trade Union Confederation) chairman: Prime minister should resign if he fails to present measures to rectify social disparity

Cabinet ministers have made controversial remarks in succession. Some critics say that the cabinet is going slack, but in my view, there is a substantial problem inside the cabinet. Looking at the happy faces of the cabinet ministers posing for photos just after the Abe cabinet was launched last fall, I wondered if this cabinet would be able to properly manage the government. I doubted if it were possible for those awarded cabinet posts as a reward for supporting Abe in a Liberal Democratic Party presidential race to carry out politics for the sake of the public. My apprehensions came true.

Such katakana words as "innovation" and "white collar exemption" are found in the policies advocated by Prime Minister Abe. Policies must be conveyed to the people in the Japanese language in a more understandable way. Most members of many government councils are those who are unfamiliar with the lives of working people or their

working conditions. This is also an extremely serious problem. Public popularity of the cabinet has been on the decline. That is because people have begun to notice that although Prime Minister Abe is good-looking, he lacks substance.

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Unified local elections and the House of Councillors election will be held this year. A revision of the Constitution, a proposal by Prime Minister Abe, is expected to take center stage in Diet debates over the long run, but this issue should not be made a major issue of contention in the upcoming elections. In casting their ballots, the voters will focus on whether the current administration has the capabilities to correct the widening social discrepancy and to revitalize local communities.

Although Minshuto (Democratic Party of Japan) has stressed the importance of reforming people's livelihood, Prime Minister Abe seems to be unaware of the importance of people's daily lives. Unless he comes up with measures convincing to the public about redressing the social disparity and revitalizing families and local communities, the Prime Minister will have to step down.

(4) Seiron (Opinion) column by Tadae Takubo, guest professor at Kyorin University: Return to the starting point for resolution to the Northern Territories issue: February 7 is "Northern Territories Day"

SANKEI (Page 11) (Abridged)
February 7, 2007

Last Dec. 13, when Foreign Minister Taro Aso attended a meeting of the Lower House Committee on Foreign Affairs, he made a comment that could give the wrong impression that the Japanese government might be considering resolving the Northern Territories issue by equally splitting in acreage terms the four disputed northern islands between Japan and Russia. Given his long career as a lawmaker, I presume he made that comment intentionally to test someone's true intentions.

Government's attitude toward Russia somewhat strange

What made me feel even more strange was when I saw Aso and the questioner, Seiji Maehara of the opposition Democratic Party of Japan (DPJ or Minshuto), share the same view that it was high time to break the stalemate on the Northern Territories issue. It was as if the two were on the same wavelength. Do they believe that if only President Putin is convinced to go along, objections in Russia would subside? This scene made me worry that Japan might again suffer the same humiliation as it did when Russia took away its valuable "weapons" and "musical instruments."

It appears to me that the goal of Japanese diplomacy, instead of addressing the territorial issue, is to realize a visit to Japan by Putin and try to please him.

I think now is the worst time for Japan to engage in territorial negotiations with Russia. One reason is that because of the soaring prices of oil and natural gas, Russia is flourishing, so economic aid is no longer attractive. Moreover, the Putin administration is currently in a phase of exclusionist nationalism, as seen in its slogan "Strong Russia". For instance, taking advantage of the ceremony marking the 60th anniversary of the victory against Nazi Germany in May 2005, influential Russians came our with statements treating Japan in the same way as Nazi Germany.

Mayor of Moscow Luzhkov, who heads the Russian team for the Japan-Russia Forum --, though I don't know exactly what the forum is like -- stressed (at the ceremony): "The Soviet Union's joining the

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war against Japan was an international obligation based on mutual assistance among the Allies." In addition, according to a Russian newspaper, Russian Duma Speaker Gryzlov was bold enough to say:

"Japan's loss of the northern territories came as punishment for its invasion of its neighbors." Why did they say such words at the ceremony, which had Prime Minister Junichiro Koizumi as a guest?

Wisdom of former German Chancellor Kohl

The Ministry of Foreign Affairs (MOFA) is ready to rebut American journalism's criticism of Japan, but for some reason or other, it remains mum about absurd comments made by influential Russians. To make matters worse, some ruling and opposition party lawmakers and experts on Russia, as if claiming to be a group of wise men, came up with what they called a "compromise proposal" to give to the Russians. They are too excited to measure the situation to look for a best time for negotiations.

The unification of two German states in 1990 might have come thanks to an overlapping of a number of events by chance, but the clincher for the unification was presumably former Chancellor Kohl's proposal for the adoption of an equivalent exchange system for the two German currencies, upon reading the situations in the Soviet Union and East Germany. Japan has taken a short view of things and lacks wisdom like Kohl's.

What is conspicuous in present-day Russia is President Putin's words and actions that are undermining democracy. The international community has cast doubts on him due to a stream of gruesome incidents, such as the assassination of a female Russian journalist and poisoning of a former ranking official of the Federal Security Bureau. I think it is a good time for Prime Minister Abe and Foreign Minister Aso to push for "values diplomacy," something they are good at, in dealing with Russia. They should admonish anyone on the staff making thoughtless remarks, and return to the starting point in the search for a resolution of the territorial issue.

(5) Toray to step up carbon fiber production: Oligopoly by Japanese companies continue

NIHON KEIZAI (Page 13) (Full)
February 9, 2007

Toray, Toho Tenax, a subsidiary of Teijin, and Mitsubishi Rayon command an approximately 70% share on the global carbon fiber market. The product is serving as a profit-yielding engine for the three companies. Toray plans for an extensive production increase with the intention to further boost income from the manufacturing of the material. Toho Tenax also plans to start operating large-scale production facilities in April 2008. Since there is a high access barrier to the production of carbon fiber, as it requires advanced technology, the prevailing view is that domestic companies will continue to have the leading edge.

The major reason for Toray's decision to step up its carbon fiber production is to prepare itself for demand for Boeing's B787. The company has concluded an exclusive contract with Boeing. The weight of carbon fiber is a quarter of that of iron, but it is ten times as strong as that of iron. Lightweight solution through the use of carbon fiber will lead to improved fuel efficiency.

Carbon fiber application areas have expanded from aircraft to general industrial usage. It is also used for driving parts of

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automobiles. Carbon fiber is now on the threshold of full-fledged wide spread use.

Toray estimates that carbon fiber demand will grow at an annual rate of about 15%, reaching 45,000 tons in 2010, about 1.7 times greater than the demand in 2006.

Toray's operating profit in the carbon fiber-related section for the term ending in March 2007 is projected to expand to 18 billion yen, 1.5 times greater than the preceding term. Among the company's six production sections, its operating profit rate takes the first place at 25% far ahead of the second earner.

Toho Tenax has also revised upward its outlook for profits for the

current term. The parent company Teijin has increased the investment ratio in Toho Tenax by 13 points to 70% in this term alone. It is increasing its involvement in the management of the carbon fiber business.

Behind high profitability of carbon fiber is the industrial structure, in which three companies are monopolizing the market. They are focusing on fields of their specification without contending for shares. The three companies have developed their own technologies for manufacturing original yarns, the key to quality, barring easy access by other competitors. The high access barrier is also contributing to the stability of this industry.

SCHIEFFER